

**INDEPENDENT BILLING REVIEW FINAL DETERMINATION**

April 16, 2015

[REDACTED]  
[REDACTED]  
[REDACTED]

<b>IBR Case Number:</b>	CB15-0000084	<b>Date of Injury:</b>	09/12/1990
<b>Claim Number:</b>	[REDACTED]	<b>Application Received:</b>	01/22/2015
<b>Claims Administrator:</b>	[REDACTED]	<b>Assignment Date:</b>	10/31/2014
<b>Provider Name:</b>	[REDACTED]		
<b>Employee Name:</b>	[REDACTED]		
<b>Disputed Codes:</b>	J2275 N438779-0673-08 & J1170 N438779-0731-05		

Dear [REDACTED]

MAXIMUS Federal Services has completed the Independent Bill Review (“IBR”) of the above workers’ compensation case. This letter provides you with the IBR Final Determination and explains how the determination was made.

**Final Determination: UPHOLD. MAXIMUS Federal Services has determined that no additional reimbursement is warranted. The Claims Administrator’s determination is upheld and the Claim Administrator does not owe the Provider additional reimbursement. A detailed explanation of the decision is provided later in this letter.**

The determination of MAXIMUS Federal Services and its expert reviewer is deemed to be the Final Determination of the Administrative Director of the Division of Workers’ Compensation. This determination is binding on all parties. In certain limited circumstances, you can appeal the Final Determination. Appeals must be filed with the Workers’ Compensation Appeals Board within 20 days from the date of this letter. For more information on appealing the final determination, please see California Labor Code Section 4603.6(f).

Sincerely,

Paul Manchester, M.D., M.P.H.  
Medical Director

cc: [REDACTED]  
[REDACTED]

## **DOCUMENTS REVIEWED**

Pertinent documents reviewed to reach the determination:

- The Independent Bill Review Application
- The original billing itemization
- Supporting documents submitted with the original billing
- Explanation of Review in response to the original bill
- Request for Second Bill Review and documentation
- Supporting documents submitted with the request for second review
- The final explanation of the second review
- Official Medical Fee Schedule
- Negotiated contracted rates:
- Red Book

## **HOW THE IBR FINAL DETERMINATION WAS MADE**

MAXIMUS Federal Services Chief Coding Specialist reviewed the case file and researched pertinent coding and billing standards to reach a determination. In some cases a physician reviewer was employed to review the clinical aspects of the care to help make a determination. He/she has no affiliation with the employer, employee, providers or the claims administrator. The expert reviewer was selected based on his/her clinical experience, education, background, and expertise in the same or similar specialties that evaluate and/or treat the medical condition and disputed items/services.

## ANALYSIS AND FINDING

Based on review of the case file the following is noted:

- **ISSUE IN DISPUTE:** Provider seeking additional remuneration for compound medication J2275 N438779-0673-08 & J1170 N438779-0731-05 utilized for pain pump refill on 09/24/2014.
- Per Labor Code Section 5307 (e)(2) compounded drug products are to be billed by the pharmacy or dispensing physician at the **ingredient level** by National Drug Code (NDC) and quantity.
- Claims Administrator reimbursement rational: “This charge is reduced or denied because medical documentation does not support the number of units billed. “
- CMS 1500 form reflects Morphine 20 mg J2275 N438779-0673-08 x 40 units and Hydromorphone 5 mg J1170 N438779-0731-05 x 25 units.
- Code Description:
  - J2275 Morphine Sulfate Injection
  - J1170 Hydromorphone Injection
- Documentation reflects **Compound Medication** of Morphine 20 mg and Hydromorphone 5 mg.
- Red Book indicates NDC Codes N438779-0673-08/Morphine **Powder** per **gram** and N438779-0731-05/Hydropmorphone **Powder** per **gram**.
- Codes **J2275 & J1170** do not adequately represent Compounded Medication as these reflect individual pre-mixed solution. As such, The NDCs and Metric Decimal Units (MDU) for **the grams of powder utilized** were entered into the Workers’ Compensation Pharmacy Compound Prescription Calculator.
  - Morphine 20 mg “at the ingredient level” equates to 0.02 grams of powder.
  - Hydromorphone 5 mg ‘at the ingredient level’ equates to 0.005 grams of powder.
- Based on the documentation and guidelines, additional reimbursement is not supported.

The table below describes the pertinent claim line information.

### DETERMINATION OF ISSUE IN DISPUTE: J2275 N438779-0673-08 & J1170 N438779-0731-05

Date of Service: 09/24/2014						
Pharmacy						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Units	Workers’ Comp Allowed Amt.	Notes
J2275 N438779 -0673-08	\$542.80	\$40.56	\$365.04	40	\$40.56	<b>DISPUTED SERVICE:</b>
J1170 N438779 -0731-05	\$150.00	\$15.19	\$45.56	20	\$15.19	Service not in dispute

Copy to:

[REDACTED]  
[REDACTED]  
[REDACTED]

Copy to:

[REDACTED]  
[REDACTED]  
[REDACTED]